

IN THE HIGH COURT OF GUJARAT AT AHMEDABAD

COMPANY PETITION No 257 of 1998

with

Company Petition No.258 of 1998

For Approval and Signature:

Hon'ble MR.JUSTICE A.R.DAVE

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1. Whether Reporters of Local Papers may be allowed : YES
to see the judgement?-Yes.

2. To be referred to the Reporter or not?
:-No.

3. Whether Their Lordships wish to see the fair copy : NO
of the judgement?-No.

4. Whether this case involves a substantial question : NO
of law as to the interpretation of the Constitution
of India, 1950 of any Order made thereunder?-No.

5. Whether it is to be circulated to the Civil Judge?
:-No.

AMIN EQUIPMENTS PVT. LTD.

Versus

ACCORD ENGINEERING CO.PVT.LTD.

Appearance:

MR AC GANDHI for Petitioner in both matters.

The Official Liquidator.

Ms. P.J. Dawawala, Advocate, for the Union of India
in both matters.

CORAM : MR.JUSTICE A.R.DAVE

Date of decision: 07/10/1999

ORAL JUDGEMENT

1. The above referred petitions have been filed
under the provisions of Section 394 of the Companies Act,

with a prayer that the proposed Scheme of Amalgamation be sanctioned. Company Petition No.257 of 1998 has been filed by transferor company, viz., Amin Equipments Pvt. Ltd., whereas Company Petition No.258 of 1998 has been filed by Accord Engineering Co. Pvt. Ltd., which is the transferee Company.

2. The transferor company had taken out Judge's Summons and had prayed that meeting of its shareholders, secured and unsecured creditors be dispensed with in view of the fact that the majority of equity shareholders, secured and unsecured creditors had given their written consent to the proposed Scheme of Amalgamation and, therefore, this Court had dispensed with meetings of the concerned shareholders and creditors by an order dated 9.10.1998.

3. Similarly, the transferee company had taken out Judge's Summons with a prayer that meetings of its shareholders, secured and unsecured creditors be also dispensed with in view of the fact that the majority of them had given their written consent for sanction of the Scheme of Amalgamation. This Court had granted an order dated 9.10.1998, whereby the said meetings were dispensed with.

4. Notice of hearing of the above referred petitions has been duly advertised in two daily newspapers on 7.1.1999. No objection has been received with regard to the proposed scheme of amalgamation.

5. Notice was issued to the Central Government and in pursuance of the said notice, Additional Central Government Standing Counsel Ms. Parinda Davavala has appeared and has placed on record a copy of letter dated 30th June, 1999, addressed to the Senior Central Government Standing Counsel by the Registrar of Companies, Gujarat, stating that he has been informed by the Office of the Regional Director that he would leave the entire matter to the discretion of the Honourable Court and the matter be decided on its own merits. This denotes that the Central Government has no objection to sanction of the said Scheme and the learned counsel has also not objected to the Scheme.

6. Similarly, notice was also issued to the Official Liquidator so as to know whether there was any objection to the Scheme being sanctioned and to have his Report and in pursuance of the said notice, the Official Liquidator has submitted his Report on 28th September, 1999. It has been submitted by the Official Liquidator that Messrs.

M. Hava and Associates, Chartered Accountants, were entrusted with the work with regard to looking into the financial affairs of the Company and he has received a Report of the Chartered Accountants dated 14th August, 1999. Upon perusal of the Report of the Chartered Accountants, it appears that there should not be any objection to the Scheme being sanctioned.

7. Upon perusal of the Report of the Chartered Accountants and after going through the relevant information received from the Company, the Official Liquidator has given a favourable opinion and upon perusal of the Report of the Official Liquidator, it is found that if the Scheme is sanctioned, it would not adversely affect interest of the shareholders or public. Moreover, looking to the advantages referred to in the paper book and the Scheme of Amalgamation, it appears that it would be in the interest of the transferor as well as transferee company if the Scheme of amalgamation is sanctioned.

8. In the above referred circumstances, and looking to the advantages which the Companies are likely to have upon sanction of the Scheme of Amalgamation, the scheme is granted sanction as prayed for in the above referred petitions. It is also directed that fees of the Additional Central Government Standing Counsel be quantified at Rs.2,000/- (Rupees two thousand only) per petition.

9. The petitions are accordingly disposed of.

(apj)